VZCZCXRO0987 RR RUEHBZ RUEHDU RUEHMR RUEHPA RUEHRN RUEHTRO DE RUEHSA #0841/01 1181431 ZNY CCCCC ZZH R 281431Z APR 09 FM AMEMBASSY PRETORIA TO RUEHC/SECSTATE WASHDC 8273 INFO RUEHZO/AFRICAN UNION COLLECTIVE RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE RUEHUJA/AMEMBASSY ABUJA 1350 RUEHTN/AMCONSUL CAPE TOWN 6787 RUEHDU/AMCONSUL DURBAN 0900 RUEHSA/AMCONSUL JOHANNESBURG 9129 RHEFDIA/DIA WASHINGTON DC RUEAIIA/CIA WASHINGTON DC RHEHNSC/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 04 PRETORIA 000841

## SIPDIS

E.O. 12958: DECL: 04/28/2019

TAGS: KDEM PGOV PREL SF

SUBJECT: ANC PREVAILS, WINS GOVERNING MAJORITY

REF: A. PRETORIA 000661

¶B. PRETORIA 000662

¶C. PRETORIA 000664

1D. PRETORIA 000543

¶E. PRETORIA 000544

PRETORIA 00000841 001.2 OF 004

Classified By: POLITICAL COUNSELOR RAYMOND L. BROWN FOR REASONS 1.4 (B) AND (D).

Summary

- 11. (C) The ruling African National Congress (ANC) prevailed in the April 22 national and provincial election with a total of 65.96 percent of the national vote; slightly down from their total of 69 percent in 2004, and 67 percent in 1999. The second highest vote total went to the multi-racial Democratic Alliance at 16.6 percent, retaining its status as the official opposition in Parliament. The removal of corruption charges against Zuma and the closing of this case represented only a marginal boost for ANC President Jacob Zuma's electoral prospects despite a widespread presumption that there is compelling evidence against Zuma.
- $\underline{\mathbf{1}}$ 2. (C) Political analysts fully expected this outcome as the ANC is the only South African political party that attracts the support of the majority of the black population. (Note: See Reftels for more information. End Note.) The ANC has successfully leveraged its role in the anti-apartheid struggle into political capital unmatched by any other party. Its claim to "struggle credentials" associated with the successful defeat of apartheid's racialist regime is supported by the vast majority of the population. efforts after 1994 to propel the majority population into the economic and political mainstream -- building houses, schools, clinics, roads, rural electrification, etc. -- are incomplete, yet have profoundly changed the lives of millions of South Africans and simultaneously cemented their support for the ANC. Local pundits agonized over questions about what would be the eventual size of the ANC's majority as they wondered whether the ANC would achieve the magical two-thirds majority target it held since 1999. It did not win a two thirds majority, falling short by only 0.04 percent. (Note: Some local pundits also point out that the ANC probably will have to fall a long way before it loses its governing status. Like in most proportional representative governments, the ANC could win between 30 and 40 percent of the vote and still be charged with forming a coalition government after an election. End Note.)

- $\underline{\P}3$ . (C) An internal power struggle within the ANC raged since 2005 when former President Thabo Mbeki removed Zuma as his deputy after Zuma was implicated in allegations of bribery and corruption associated with a controversial arms deal. This alienation between Mbeki and Zuma and their respective supporters was further accentuated by broad ANC disaffection resulting from Mbeki's authoritarian leadership style and his efforts to draw a line between the primacy of the party over the state. Old guard ANC loyalists, and their alliance partners in the South African Communist Party (SACP) and the Congress of South African Trade Unions (COSATU), vehemently objected to Mbeki's belief that the party and the state should remain separate. They preferred the alternative view that the ANC as the majority party had the right to determine state policy, administration, management, and personnel -- in Qstate policy, administration, management, and personnel -- in the interest of their constituencies. They also argued vociferously that Mbeki's macro-economic policies, which achieved an average of 4-5 percent annual growth from 2000-2007, were wrong for South Africa and had created a two-tiered economy that made the rich richer and the poor poorer.
- 14. (C) The defeat of Mbeki by Zuma in December 2007 in Polokwane as the ANC party president was directly related to his support by anti-Mbeki elements within the ANC, but particularly the SACP, COSATU and the ANC's Youth League (ANCYL). His victory over Mbeki began a realignment of the party's leadership, philosophical orientation and shifted policy goals away from Mbeki's market/trade-oriented economic

PRETORIA 00000841 002.2 OF 004

policy as well as his internationalism, replacing it with an ambitious and self-conscious domestic focus on the interest of the poor inside South Africa. In contrast, Mbeki's foreign policy vision saw South Africa deeply involved in continental conflict resolution, peace keeping and reform of regional and continental institutions such as the African Union (AU). His aspiration to see South Africa become a leader of the developing south in its relationship to the industrial north reflects an ANC ideological commitment that may well be one of Mbeki's priorities that will be maintained by the next SAG President, Jacob Zuma. Since Polokwane, the SACP, COSATU, and the ANCYL have been the most adamant and influential proponents of a more socialist, left-leaning policy orientation that distrusts the market, is uncomfortable with capitalism, is resistant to comprehensive privatization of state enterprises, and believes in state intervention in the economy to support the interests of the poor; and the use of state resources to expand welfare subsidies for poor communities and households. Zuma is deeply indebted to the ANC alliance partners for his rise as ANC President, and these allies believe they now have a leader through whom they can achieve their political goals. These allies also have been putting pressure on Zuma as ANCYL President Julius Malema told a crowd over the weekend that  ${\tt Zuma}$  has to deliver or else face the wrath of the youth of the country. End Note.)

15. (C) The election of Zuma as ANC leader, supported aggressively by the ANC's alliance partners, was followed by a systematic purge of Mbeki's supporters within the Cabinet, the Parliament, the civil services, the provinces and party structures. The forced resignation of Mbeki in September 2008 led to ultimate victory for Zuma's faction within the ANC, all but guaranteeing Zuma's rise to be the next President of the Republic. However, the ANC's "recall and redeployment" of Mbeki as SAG president and the continuing purges of his supporters precipitated the emergence of the break-away opposition party made up primarily of former ANC stalwarts, the Congress of the People (COPE). The ANC saw in

COPE what it did not see in other opposition parties -- a potential threat to their near exclusive support of the majority black population. The prospect of losing voter support to a break-away group of former comrades (that they believe is directly related to and supported by Mbeki) galvanized the ANC's election campaign machinery like nothing else could.

16. (C) The ANC's well-funded, nation-wide, door to door campaign aimed to convince its core grassroots support that COPE had neither the vision, support base nor the resources to rule or to help them like the ANC could. With a campaign budget in excess of Rand 300,000,000 (US \$ 30,000,000), the ANC was able to blanket the country with posters, provide poor communities with food hampers and other support, produced television commercials and other campaign media. After only four months in the game, COPE's lack of resources, internal leadership squabbles and a party platform that was characterized as "ANC-lite," could not compete with the ANC for the hearts and minds of South Africans. Nevertheless, for a new party, COPE did energize the campaign and was seen Qfor a new party, COPE did energize the campaign and was seen by many, especially young and middle-class black voters, as potentially a viable alternative to the ANC. As election results were reported, COPE is now the third largest party in South Africa with 7.42 percent of the vote. (Note: the Inkatha Freedom Party lost significant ground even in its Zulu ethnic heartland of Kwa-Zulu Natal, with only 4.57 percent of the national vote. End Note.)

Changing Domestic and Foreign Policy Priorities

17. (C) The re-election of the ANC as the ruling party will see Jacob Zuma inaugurated as South Africa's fourth post-apartheid president on May 9, after the ANC-dominated Parliament so votes on May 6. This long anticipated and inevitable outcome still leaves unanswered a raft of questions about the incoming government and party leadership. For example, the top one hundred or so people on the ANC's party list will fill key cabinet and parliamentary seats in the next government. Within Zuma's support group will be a large number of SACP and COSATU leaders who will occupy strategic seats under the banner of the ANC. (Note: Neither SACP nor COSATU participate in elections under their own

PRETORIA 00000841 003.2 OF 004

names, but compete as part of the ANC and will participate in the next government as ANC cabinet members and parliamentarians. End Note.) However, whomever will emerge as Zuma's closest economic, social, and political and foreign policy advisers remain profoundly unclear.

18. (C) Promises by Zuma and others that the ANC will not radically change the country's domestic, economic and foreign policy will now be tested. Signals sent by the ANC since Polokwane suggest that: a) the SAG will have a more intensive domestic focus rather than Mbeki's internationalist policies; b) the primacy of the party over the apparatus of the state must be solidified; and c) major changes will occur in the cabinet as well as ministerial portfolios, along with civil service positions from the deputy minister level down through directors general and office directors. Zuma's ANC believes, more so than did Mbeki, that ANC personnel must be placed in strategic positions throughout the government to ensure that the party's policy priorities were achieved. That is, the ANC believes that it's members -- comrades and deployed cadres -- are instruments of the senior party executive, the National Executive Committee (NEC). As such, from the president, to parliamentarians, and all categories of civil servants are by extension instruments and deployed cadres of the ANC. (Note: The Zuma ANC does not believe that parliamentarians are constitutional persons with the mandate to vote their conscience. Rather, they are deployed cadres of the ANC, taking instruction only from the NEC via the

President. This idea explains how the ANC could remove Mbeki as a sitting president simply because in their view, he was just another deployed cadre who had been "redeployed." End Note.)

 $\P9$ . (C) There is a great deal of curiosity and speculation about what a Zuma administration will look like and what can be expected of him as a national leader. He has repeatedly said that he will not be a policy leader, but will implement whatever policy emerges from the ANC's NEC. He has spent a great deal of time engaging diverse constituencies -- i.e., investors, Afrikaners, civil society groups, Hindus, Muslims, foreign leaders, etc. -- reassuring them that his administration would be no threat to their interests. As an unintended consequence, Zuma has come to be perceived as a politician who tells each constituency exactly what they want to hear, raising doubts about his veracity and what he actually believes. More importantly, he will be working under a double disadvantage of an economy sliding into recession in the context of a global economic crisis and a reduced set of choices for experienced technocratic managers because his faction has purged the Mbeki supporters who gained governing experience since 1994. Whites, Indians and coloureds remain concerned about Zuma's reassurances to them at the same time that the NEC emphasizes a policy focus on the black poor. A recent ANC initiative to make "affirmative action" permanent -- to redress historical wrongs and disadvantages -- concerns non-black South African's about their position in this society as well as the impact of quotas limiting their access to advanced education, state resources, public service employment, business and Oresources, public service employment, business and investment options, among other concerns.

Comment: Good Bilateral Prospects

¶10. (C) Whatever develops from the transition in South African politics, it will be some time yet before the outlines of a Zuma presidency and its policies will be clarified. Nevertheless, Post has reason to believe that a Zuma presidency, despite the potential rise of the ideological left within the ANC, represents an opportunity for the USG to improve bilateral relations with the SAG/ANC. Zuma was accessible to Post's leadership over the past year, which suggests continuing access to him as state president. During a visit to Washington, D.C. in October 2008, Zuma met POTUS and SECSTATE as well as other senior USG principals and opened a dialogue aimed at supporting the ANC's policy priorities; i.e., public health responses to the HIV/AIDs pandemic, economic growth for job creation to reduce unacceptably high unemployment rates, and technical assistance and training for law enforcement and judicial sectors to reduce high crime rates.

(C) Close Zuma allies have been in contact with our Front

PRETORIA 00000841 004.2 OF 004

Office to pursue prospective areas of cooperation and partnership with the new SAG administration. Zuma expressed an interest for strengthening bilateral trade, investment and other economic relationships which show great promise for near term growth and improvement. Educational and cultural exchanges continue to represent a fertile area for bilateral cooperation. ANC and SAG interests in improving South African law enforcement and military capabilities are ongoing areas for enhanced bilateral partnership, despite local ambivalence regarding the establishment of the Africa Command. These trends and signals augur well for building stronger bilateral relationships between the Zuma and Obama administrations. End Comment.

LA LIME